



STATE OF TENNESSEE Division of Consumer Affairs

American Car Center (d/b/a RAC Dealership, LLC)

The Tennessee Division of Consumer Affairs provides the following information to consumers regarding American Car Center (d/b/a RAC Dealership, LLC).

American Car Center filed Chapter 7 Bankruptcy on March 14, 2023. State agencies are monitoring the ongoing bankruptcy proceedings and are diligently seeking answers for those affected; however, it will take time for some details to be determined.

The italicized statement below was provided by the Bankruptcy Trustee's office on April 13, 2023:

A Bankruptcy Court hearing was held April 12, 2023, on several matters, including a motion seeking authority to enter into a servicing agreement with Westlake Portfolio Management Company ("Westlake"). The Bankruptcy Court entered the attached order authorizing the Trustee to enter into a servicing agreement with Westlake. This means that Westlake (www.wpmservicing.com / 877-854-5688) is now the servicer for all of RAC Dealership/American Car Center's leases and loans. As part of the service agreement, Westlake will make best efforts in addressing any open tag, title, and registration issues.

Given the size and complexity of the Debtors' businesses, the extraordinary number of customers, and the voluminous documents associated with operating dealerships in numerous States, processing the paperwork for leases, loans, tags & titles will take time. The process for a company such as RAC / ACC to work through Chapter 7 Bankruptcy is complex and requires months to navigate. Also, in most cases, a trustee requires Bankruptcy Court approval before taking certain actions. Please know that Westlake, the Trustee, and others involved are working as quickly as possible.

*Office of Chapter 7 Bankruptcy Trustee David W. Carickhoff, Esq.
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dwctrustee@gmail.com*

During a telephonic meeting of creditors held on April 5, 2023, it was confirmed that the warranty coverage provided by RAC/ACC is no longer valid. When asked what customers can do if they are affected by this warranty voidance and other issues related to RAC/ACC's closure, the Trustee's office indicated that consumers could file a Proof of Claim.



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The Proof of Claim form can be found here: <https://www.deb.uscourts.gov/claims-information>
Consumers who are filing a Proof of Claim are considered a “creditor” and American Car Center (RAC Dealership, LLC) is the “debtor.” The bankruptcy case number for RAC Dealership, LLC is 23-10318. You may need to select the circle for the “Creditor not listed” field to add yourself.

For general questions, consumers may contact Westlake at 877-854- 5688 or wpmcustomercare@wpmservicing.com. The Westlake website can be found at <https://www.wpmservicing.com>

For credit inquires associated with Westlake reporting, consumers may contact creditbureaus@wpmservicing.com. Westlake is currently not reporting RAC/ACC accounts to the credit reporting agencies and won’t be reporting for at least 120 days. “We don’t want to inaccurately report potential late payments because of the transfer of servicing,” states Westlake Director of Compliance Tracy Bergiman. “Any credit disputes based on how RAC/ACC reported or didn’t report, Westlake cannot confirm nor alter how they reported.”

Some consumers facing difficulty titling or registering their vehicles may be able to file a claim against RAC/ACC’s surety, Travelers Insurance. For surety bond inquiries, consumers can contact Dan Vacca with Travelers Insurance at dvacca@travelers.com. However, please be advised that leased vehicles are not covered by the surety bond issued by Travelers. In consultation with Mr. Vacca and the Tennessee Dept of Revenue, the Titling and Registration Unit should be able to assist Tennessee consumers in obtaining documents for those vehicles paid in full. They can be reached at 615-741-3101 or via email at revenue.support@tn.gov.

RAC/ACC lease customers who have an expired drive out tag can apply for a temporary operation permit (TOP). Tennessee consumers may apply for a TOP in person through their [local county clerk’s office](#). If there is an issue with the paperwork, the consumer can complete the permit form and submit to their local county clerk’s office. Tennessee consumers can find the TN Department of Revenue’s TOP form here: <https://www.tn.gov/content/dam/tn/revenue/documents/forms/titlereg/f1314401Fill-in.pdf>.

As each state may handle title and registration differently, consumers will need to check with the applicable agencies in their state of residence for specific guidance.

Updated: 4/20/2023

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

RAC Investment Holdings, LLC, *et al.*,¹
Debtors.

Chapter 7

Case No. 23-10316 (BLS)
(Jointly Administered)

Re: Dkt. No. 50

**ORDER AUTHORIZING THE CHAPTER 7 TRUSTEE TO ENTER INTO AND
PERFORM UNDER SERVICING AGREEMENT WITH WESTLAKE
PORTFOLIO MANAGEMENT, LLC**

Upon consideration of the motion (the “Motion”)² of the Chapter 7 Trustee seeking the entry of an order pursuant to sections 105(a) and 363 of the Bankruptcy Code authorizing the Trustee to enter into and perform under the Servicing Agreement with Westlake; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Estates, their creditors, and other parties in interest; and this Court having found that notice of and opportunity for a hearing on the Motion were appropriate; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

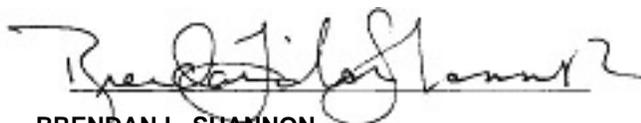
¹ The debtors in these cases, along with the last four digits of the federal tax identification number for each of the debtors, where applicable are: RAC Investment Holdings, LLC (7349); RAC King, LLC (6605); RAC Dealership, LLC (3862); RAC Intermediate Holdings, LLC (4792); RAC Servicer, LLC (3735); and RAC Asset Holdings, LLC (8701).

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Trustee is authorized to enter into the Servicing Agreement with Westlake.
3. The Trustee is hereby authorized to take all actions necessary or desirable to perform under the Servicing Agreement.
4. The stay imposed by Federal Rule of Bankruptcy Procedure 6004(h) is hereby waived
5. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
6. The Court shall retain jurisdiction to (i) enforce and implement the terms and provisions of the Servicing Agreement and (ii) resolve any disputes arising under or in connection with the Servicing and any related documents. Furthermore, the Court shall retain jurisdiction to interpret, implement, and enforce the provisions of this Order.

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BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

Dated: April 13th, 2023
Wilmington, Delaware